

**CITY OF EFFINGHAM, KANSAS**

**REGULATORY BASIS FINANCIAL STATEMENTS**  
For the year ended December 31, 2012

And

**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS**

**...KL...**

***Karlin & Long, LLC***  
***Certified Public Accountants***

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**CITY OF EFFINGHAM, KANSAS**

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**Karlin & Long, LLC**  
*Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS**

The Honorable Mayor and City Council  
P.O. Box 94  
Effingham, Kansas 66023

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Effingham, Kansas ("Municipality") as of and for the year ended December 31, 2012, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that is free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Effingham to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Effingham as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.


***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Effingham (“Municipality”) as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

***Report on Supplementary Information***

Our audit was conducted for the purpose of forming opinion on the 2012 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2012 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 basic financial statement. The 2012

information has been subjected to the auditing procedures applied in the audit of the 2012 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 basic financial statement or to the 2012 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2012 basic financial statement as a whole, on the basis of accounting described in Note 1.

A handwritten signature in cursive script that reads "Karlin & Long, LLC".

Karlin & Long, LLC  
Certified Public Accountants

Lenexa, KS  
June 18, 2013

CITY OF EFFINGHAM, KANSAS  
 Summary Statement of Receipts, Expenditures, and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended December 31, 2012

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds</b>							
General	\$ 87,950	\$ 0	\$ 203,405	\$ 196,268	\$ 95,087	\$ 0	\$ 95,087
Special Purpose Funds							
Fire Equipment	6,596	0	8,749	7,495	7,850	0	7,850
Employee Benefits	220	0	28,810	28,810	0	0	0
Streets	69,267	0	49,954	61,893	57,328	0	57,328
Library	0	0	9,169	9,169	0	0	0
Fire station	1,940	0	2,900	1,942	2,898	0	2,898
Sewer Improvement	0	0	0	0	0	0	0
Bond & Interest Fund							
Bond & Interest	2,843	0	26,094	26,577	2,360	0	2,360
Capital Projects							
Pool	2,934	0	981	1,531	2,384	0	2,384
Business Funds:							
Water Utility	211,897	0	144,118	118,674	237,341	0	237,341
Sewer Utility	132,351	0	71,031	58,662	144,720	0	144,720
Pool	654	0	73,987	74,326	315	0	315
Related Municipal Entity							
Library	8,910	0	26,085	26,526	8,469	0	8,469
<b>Total Reporting Entity</b>	<b>\$ 525,562</b>	<b>\$ 0</b>	<b>\$ 645,063</b>	<b>\$ 611,873</b>	<b>\$ 558,752</b>	<b>\$ 0</b>	<b>\$ 558,752</b>
Composition of Cash							
							\$ 550,283
							8,469
							\$ 558,752

The notes to the financial statements are an integral part of this statement.

## CITY OF EFFINGHAM, KANSAS

### NOTES TO FINANCIAL STATEMENTS

#### NOTE 1 – Summary of Significant Accounting Policies

##### Financial Reporting Entity

The City of Lecompton, Kansas is a municipal corporation governed by an elected six member council. The regulatory statement presents the City of Effingham (the municipality) and its related municipal entity. The related entity is included in the City's reporting entity because they were established to benefit the City and/or its constituents.

##### Effingham Community Library

The Effingham Community Library operates the City's public library. The City annually levies a tax for the Library. The accounting policies of the Effingham Community Library are the same as those of the City. The complete financial records of the Effingham Community Library may be viewed at the city offices at City Hall, Effingham, Kansas 66203.

##### Regulatory Basis Fund Types

**General Fund** – The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

**Special Purpose Funds** - Used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

**Bond and Interest Fund** – Used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

**Business Funds** – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, sewer fund, etc.)

##### Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured

## **CITY OF EFFINGHAM, KANSAS**

### **NOTES TO FINANCIAL STATEMENTS**

#### **NOTE 1 – Summary of Significant Accounting Policies (Continued)**

and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt. Accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

#### **Reimbursed Expenses**

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

#### **Budgetary Information**

Kansas Statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1<sup>st</sup>
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5<sup>th</sup>.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenues other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held



# **CITY OF EFFINGHAM, KANSAS**

## **NOTES TO FINANCIAL STATEMENTS**

### **NOTE 1 – Summary of Significant Accounting Policies (Continued)**

#### **Budgetary Information (continued)**

and the governing body may amend the budget at that time. No budgets amendments were noted for the current year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting. Revenues are recognized when measurable and available to finance current year expenditures. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds and the following special revenue funds: 1) Capital Improvement Fund, 2) Equipment Reserve Fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

### **NOTE 2 – Stewardship, Compliance and Accountability**

#### **Compliance with Kansas Statutes**

We noted no violations of Kansas Statutes for the period under audit

### **NOTE 3 – Deposits and Investments**

K.S.A. 9-1401 establishes the depositories which may be used by the government. The statute requires banks eligible to hold the government's funds have a main or branch bank in the county in which the government is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The government has no other policies that would further limit interest rate risk.

## **CITY OF EFFINGHAM, KANSAS**

### **NOTES TO FINANCIAL STATEMENTS**

#### **NOTE 3 – Deposits and Investments (continued)**

K.S.A. 12-1675 limits the government's investments of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The government has no investment policy that would further limit its investment choices.

##### **Concentration of Credit Risk**

State statutes place no limit on the amount the government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405.

##### **Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. State statutes require the government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the government's carrying amount of deposits was \$ 558,752 and the bank balance was \$ 565,323. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance. Of the remaining balance, \$ 315,323 was collateralized with securities held by the pledging financial institutions' agents in the government's name.

##### **Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

#### **NOTE 4 – Defined Benefit Pension Plan**

**Plan Description** – The City of Effingham, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death

## **CITY OF EFFINGHAM, KANSAS**

### **NOTES TO FINANCIAL STATEMENTS**

#### **NOTE 4 – Defined Benefit Pension Plan (continued)**

benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas; Topeka, KS 66603) or by calling 1-888-275-5737.

**Funding Policy** – K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depending on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414 (h) of the Internal Revenue Code. Kansas law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

#### **NOTE 5 – Other Long Term Obligations from Operations**

##### **Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the city is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the city makes health care available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

##### **Compensated Absences**

Sick leave is available to all full time employees of the City and accrues at the rate of 10 days per year. Vacation leave is available for full time employees and is based on the number of years of service. One to three years of service employees receive one week of vacation. Four to fifteen years of service employees receive two weeks of vacation. Sixteen to twenty years of service employees receive three weeks of vacation. Employees with more than twenty years of service receive four

# CITY OF EFFINGHAM, KANSAS

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 – Other Long Term Obligations from Operations

#### Compensated Absences (continued)

weeks of vacation. Part time employees accrue sick leave at a rate of five days per year. No vacation time is given for part time employees. Payment is received by terminating employees with unused vacation or sick leave. The City has not computed or recorded this potential liability.

### NOTE 6 – Claims and Judgments

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of June 15, 2013, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employee; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2011 to 2012 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

### NOTE 7 – Interfund Transactions

Operating transfers were as follows:

From	To	Statuary Authority	Amount
Sewer	Pool	K.S.A. 12-825d	\$ 7,000
General	Pool	K.S.A. 79-2526	35,000
Water	Pool	K.S.A. 12-825d	11,931

**CITY OF EFFINGHAM, KANSAS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 – Subsequent Events Review**

Subsequent events for management's review have been evaluated through June 18, 2013. The date in the prior sentence is the date the financial statements were available to be issued.

**NOTE 9 – Long Term Debt**

The schedule of long term debt and current maturities for the next five years is detailed in the following schedule.

CITY OF EFFINGHAM, KANSAS

NOTES TO FINANCIAL STATEMENTS

Note 9 - Long Term Debt

Changes in long-term liabilities for the City for the year ended December 31, 2012 were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds Street Improvements	3.47%	3/1/04	\$ 245,314	9/1/14	\$ 85,000	\$	\$ 25,000	\$ (25,000)	\$ 60,000	\$ 3,056
Revenue Bond Pool	3.75%-5.5%	12/2/08	565,000	10/15/29	545,000		20,000	(20,000)	525,000	27,301
KDHE Loan: Kansas Water Pollution Control Revolving Fund # 2461	3.39%	4/17/07	741,000	4/17/27	677,301		30,038	(30,038)	647,263	20,364
Kansas Water Pollution Control Revolving Fund # 131801	3.19%	8/23/99	218,300	8/31/20	109,525		10,687	(10,687)	98,838	3,142
Total Long Term Debt					\$ 1,416,826	\$ 0	\$ 85,725	\$ (85,725)	\$ 1,331,101	\$ 53,863

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	2013	2014	2015	2016	2017	2018-2022	2023-2027	2028-2030	Total
Principal									
General Obligation Bonds	\$ 50,000	\$ 50,000	\$ 20,000	\$ 25,000	\$ 25,000	\$ 140,000	\$ 185,000	90,000	\$ 585,000
Special Assessment Bonds									0
Certificates of Participation									0
Capital Leases									0
Revenue Bonds	0	39,503	40,822	42,195	43,614	239,565	208,121	142,281	746,101
No-Fund Warrants									0
Temporary Notes									0
Total Principal	50,000	89,503	60,822	67,195	68,614	369,565	393,121	232,281	1,331,101
Interest									
General Obligation Bonds	28,380	26,550	24,675	23,775	22,650	95,250	55,575	7,425	284,280
Special Assessment Bonds									0
Certificates of Participation									0
Capital Leases									0
Revenue Bonds	24,769	23,440	22,067	20,648	19,182	72,665	36,895	4,104	223,770
No-Fund Warrants									0
Temporary Notes									0
Total Interest	53,149	49,990	46,742	44,423	41,832	167,915	92,470	11,529	508,050
Total Principal and Interest	\$ 103,149	\$ 139,493	\$ 107,564	\$ 111,618	\$ 110,446	\$ 537,480	\$ 485,591	\$ 243,810	\$ 1,839,151

**City of Effingham, Kansas**

**Regulatory-Required**

**Supplementary Information**

**For the year ended December 31, 2012**

CITY OF EFFINGHAM, KANSAS  
Summary of Expenditures - Actual and Budget  
For the Year Ended December 31, 2012

Funds	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
<b>Governmental Type Funds</b>						
General Funds						
General	\$ 367,499	\$ 0	\$ 0	\$ 367,499	\$ 196,268	\$ (171,231)
Special Purpose Funds						
Fire Equipment	10,455	0	0	10,455	7,495	(2,960)
Employee Benefits	33,559	0	0	33,559	28,810	(4,749)
Streets	130,561	0	0	130,561	61,893	(68,668)
Library	10,000	0	0	10,000	9,169	(831)
Fire Station	5,615	0	0	5,615	1,942	(3,673)
Bond and Interest Fund						
Bond and Interest	31,431	0	0	31,431	26,577	(4,854)
Business Funds						
Water Utility	244,437	0	0	244,437	118,674	(125,763)
Sewer Utility	175,570	0	0	175,570	58,662	(116,908)
Pool	83,676	0	0	83,676	74,326	(9,350)



CITY OF EFFINGHAM, KANSAS  
GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
<b>CASH RECEIPTS</b>			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 100,506	\$ 111,913	\$ (11,407)
Delinquent tax	3,341	1,300	2,041
Motor vehicle tax	18,590	19,266	(676)
RV tax	364	336	28
16/20M vehicle tax	351	429	(78)
Franchise fees	18,201	20,000	(1,799)
Sales tax	59,229	65,000	(5,771)
City/County revenue sharing			0
Interest income	178		178
Miscellaneous revenues	2,645		2,645
Operating transfers			0
	<u>203,405</u>	<u>218,244</u>	<u>(14,839)</u>
<b>EXPENDITURES</b>			
General government			
Personnel services	72,969	95,000	22,031
Commodities	27,257	60,000	32,743
Contractual	41,129	45,000	3,871
County sales tax	17,405	26,000	8,595
Highways and streets			0
Neighborhood revitalization rebate		6,499	6,499
Capital outlay	2,508	100,000	97,492
Operating transfers	35,000	35,000	0
Adjustment for qualifying budget credits			0
	<u>196,268</u>	<u>\$ 367,499</u>	<u>\$ 171,231</u>
Receipts Over (Under) Expenditures	7,137		
Unencumbered Cash, Beginning	87,950		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 95,087</u>		

CITY OF EFFINGHAM, KANSAS  
SPECIAL PURPOSE FUND  
 FIRE EQUIPMENT FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
<b>CASH RECEIPTS</b>			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 7,043	\$ 7,842	\$ (799)
Delinquent tax	351	200	151
Motor vehicle tax	1,299	1,226	73
RV tax	25	21	4
16/20M vehicle tax	31	27	4
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
<b>Total Cash Receipts</b>	<u>8,749</u>	<u>9,316</u>	<u>(567)</u>
<b>EXPENDITURES</b>			
General administration	394	2,000	1,606
Capital outlay	7,101	8,455	1,354
Operating transfers			0
Adjustment for qualifying budget credits			0
<b>Total Expenditures</b>	<u>7,495</u>	<u>\$ 10,455</u>	<u>\$ 2,960</u>
Receipts Over (Under) Expenditures	1,254		
Unencumbered Cash, Beginning	6,596		
Prior Year Cancelled Encumbrances	<u>0</u>		
<b>Unencumbered Cash, Ending</b>	<u>\$ 7,850</u>		

CITY OF EFFINGHAM, KANSAS  
SPECIAL PURPOSE FUND  
 EMPLOYEE BENEFIT FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
<b>CASH RECEIPTS</b>			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 24,108	\$ 26,843	\$ (2,735)
Delinquent tax	668	250	418
Motor vehicle tax	3,679	3,926	(247)
RV tax	72	69	3
16/20M vehicle tax	63	87	(24)
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
<b>Total Cash Receipts</b>	<u>28,590</u>	<u>31,175</u>	<u>(2,585)</u>
<b>EXPENDITURES</b>			
Payroll taxes	8,416	15,000	6,584
Retirement	5,411		(5,411)
Health Insurance	14,983	18,559	3,576
Workman's compensation			0
Operating transfers			0
Adjustment for qualifying budget credits			0
<b>Total Expenditures</b>	<u>28,810</u>	<u>\$ 33,559</u>	<u>\$ 4,749</u>
Receipts Over (Under) Expenditures	(220)		
Unencumbered Cash, Beginning	220		
Prior Year Cancelled Encumbrances	<u>0</u>		
<b>Unencumbered Cash, Ending</b>	<u>\$ 0</u>		

CITY OF EFFINGHAM, KANSAS  
SPECIAL PURPOSE FUND  
 STREETS FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
<b>CASH RECEIPTS</b>			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 8,681	\$ 9,664	\$ (983)
Delinquent tax	311	150	161
Motor vehicle tax	1,868	2,066	(198)
RV tax	37	36	1
16/20M vehicle tax	28	46	(18)
Fuel tax	14,066	15,580	(1,514)
Sales tax	24,963	28,000	(3,037)
Bond proceeds			0
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
Total Cash Receipts	<u>49,954</u>	<u>55,542</u>	<u>(5,588)</u>
<b>EXPENDITURES</b>			
Street project			0
Streets	61,893	130,561	68,668
Operating transfers			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>61,893</u>	<u>\$ 130,561</u>	<u>\$ 68,668</u>
Receipts Over (Under) Expenditures	(11,939)		
Unencumbered Cash, Beginning	69,267		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 57,328</u>		

CITY OF EFFINGHAM, KANSAS  
SPECIAL PURPOSE FUND  
 LIBRARY FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
<b>CASH RECEIPTS</b>			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 7,728	\$ 8,605	\$ (877)
Delinquent tax	203	80	123
Motor vehicle tax	1,194	1,265	(71)
RV tax	23	22	1
16/20M vehicle tax	21	28	(7)
Federal grants			0
State aid/grants			0
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
	<u>9,169</u>	<u>10,000</u>	<u>(831)</u>
<b>EXPENDITURES</b>			
General government	9,169	10,000	831
Capital outlay			0
Operating transfers			0
Adjustment for qualifying budget credits			0
	<u>9,169</u>	<u>\$ 10,000</u>	<u>\$ 831</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>		

CITY OF EFFINGHAM, KANSAS  
SPECIAL PURPOSE FUND  
 FIRE STATION FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
<b>CASH RECEIPTS</b>			
Utility reimbursements	\$ 2,900	\$ 2,000	\$ 900
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
	<u>2,900</u>	<u>2,000</u>	<u>900</u>
<b>Total Cash Receipts</b>	<u>2,900</u>	<u>2,000</u>	<u>900</u>
<b>EXPENDITURES</b>			
General government	1,942	5,615	3,673
Capital outlay			0
Operating transfers			0
Adjustment for qualifying budget credits			0
	<u>1,942</u>	<u>5,615</u>	<u>0</u>
<b>Total Expenditures</b>	<u>1,942</u>	<u>\$ 5,615</u>	<u>\$ 3,673</u>
 Receipts Over (Under) Expenditures	 958		
Unencumbered Cash, Beginning	1,940		
Prior Year Cancelled Encumbrances	<u>0</u>		
 Unencumbered Cash, Ending	 <u>\$ 2,898</u>		

CITY OF EFFINGHAM, KANSAS  
BUSINESS FUND  
WATER UTILITY FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
Regulatory Basis  
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Charges for services	\$ 143,892	\$ 135,000	\$ 8,892
Interest income	226		226
Miscellaneous revenues			0
Operating transfers			0
	<u>144,118</u>	<u>135,000</u>	<u>9,118</u>
Total Cash Receipts			
EXPENDITURES			
Production			
Personnel services	20,739	45,000	24,261
Commodities	19,004	25,000	5,996
Contractual	7,354	40,000	32,646
Capital outlay	6,900	61,691	54,791
Debt service	52,746	52,746	0
Operating transfers	11,931	20,000	8,069
Adjustment for qualifying budget credits			0
	<u>118,674</u>	<u>\$ 244,437</u>	<u>\$ 125,763</u>
Total Expenditures			
Receipts Over (Under) Expenditures	25,444		
Unencumbered Cash, Beginning	211,897		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 237,341</u>		

CITY OF EFFINGHAM, KANSAS  
BUSINESS FUND  
 SEWER UTILITY FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
<b>CASH RECEIPTS</b>			
Charges for services	\$ 70,888	\$ 65,000	\$ 5,888
Interest income	143		143
Miscellaneous revenues			0
Operating transfers			0
	<u>71,031</u>	<u>65,000</u>	<u>6,031</u>
<b>EXPENDITURES</b>			
Production			
Personnel services	22,245	35,000	12,755
Commodities	1,658	15,000	13,342
Contractual	13,663	10,000	(3,663)
Capital outlay		93,721	93,721
Debt service	14,096	14,849	753
Operating transfers	7,000	7,000	0
Adjustment for qualifying budget credits			0
	<u>58,662</u>	<u>\$ 175,570</u>	<u>\$ 116,908</u>
Receipts Over (Under) Expenditures	12,369		
Unencumbered Cash, Beginning	132,351		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 144,720</u>		



CITY OF EFFINGHAM, KANSAS  
BUSINESS FUND  
 POOL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
<b>CASH RECEIPTS</b>			
Charges for services	\$ 17,847	\$ 15,000	\$ 2,847
Interest income			0
Miscellaneous revenues	2,209	5,000	(2,791)
Operating transfers	<u>53,931</u>	<u>62,000</u>	<u>(8,069)</u>
 Total Cash Receipts	 <u>73,987</u>	 <u>82,000</u>	 <u>(8,013)</u>
<b>EXPENDITURES</b>			
Recreation			
Personnel services	17,485	20,000	2,515
Commodities	9,916	8,676	(1,240)
Contractual			0
Capital outlay			0
Debt service	46,925	55,000	8,075
Operating transfers			0
Adjustment for qualifying budget credits			<u>0</u>
 Total Expenditures	 <u>74,326</u>	 <u>\$ 83,676</u>	 <u>\$ 9,350</u>
 Receipts Over (Under) Expenditures	 (339)		
Unencumbered Cash, Beginning	654		
Prior Year Cancelled Encumbrances	<u>0</u>		
 Unencumbered Cash, Ending	 <u>\$ 315</u>		

CITY OF EFFINGHAM, KANSAS  
BOND AND INTEREST FUND  
 BOND AND INTEREST FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
<b>CASH RECEIPTS</b>			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 21,285	\$ 23,701	\$ (2,416)
Delinquent tax	768	350	418
Motor vehicle tax	3,873	4,054	(181)
RV tax	76	71	5
16/20M vehicle tax	71	90	(19)
Interest income	21		21
Miscellaneous revenues			0
Operating transfers			0
	<u>26,094</u>	<u>28,266</u>	<u>(2,172)</u>
<b>EXPENDITURES</b>			
General administration			0
Debt service	26,577	31,431	4,854
Operating transfers			0
Adjustment for qualifying budget credits			0
	<u>26,577</u>	<u>\$ 31,431</u>	<u>\$ 4,854</u>
Receipts Over (Under) Expenditures	(483)		
Unencumbered Cash, Beginning	2,843		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>2,360</u>		

CITY OF EFFINGHAM, KANSAS  
RELATED MUNICIPAL ENTITY  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	Component Unit: <u>Library</u>
<b>CASH RECEIPTS</b>	
Federal grants	\$ 0
State aid/grants	10,275
City appropriation	9,170
Donations	4,747
Interest income	41
Miscellaneous revenues	1,852
Operating transfers	
	<hr/>
Total Cash Receipts	26,085
	<hr/>
<b>EXPENDITURES</b>	
Operations	
Personnel services	14,241
Commodities	12,285
Contractual	
Capital outlay	
Operating transfers	
Adjustment for qualifying budget credits	
	<hr/>
Total Expenditures	26,526
	<hr/>
Receipts Over (Under) Expenditures	(441)
Unencumbered Cash, Beginning	8,910
Prior Year Cancelled Encumbrances	0
	<hr/>
Unencumbered Cash, Ending	\$ <u>8,469</u>